To: EPA

From: Phillips 66 Company

Gentlemen,

In the spirit of cooperation and full transparency, and in order to ensure full compliance with revised Annex VI, Prevention of Air Pollution from Ships, to the MARPOL 73/78 Convention relative to the limits on nitrogen oxide and sulphur oxide emissions from ship exhaust and the use and consumption of low sulphur marine fuel, we wish to reference that our Time Chartered vessel "SCF Baikal" may potentially not be able to comply with North Americas Emission Control Area (ECA) for a brief period of 8 to 12 hours at the port of Philadelphia.

Here are brief details and a time-line of vessel entrance in ECA:

The vessel entered the ECA zone on 7th March enroute to Point Tupper, Canada from Kizomba, Angola.

As per ECA requirement, the vessel switched over from HSFO to LSFO at the point of entry in ECA. At this point of time, the vessel had approx 10 days of LSFO consumption in ECA zone (470 mt).

Phillips 66 made best efforts to supply low sulphur fuel oil at Point Tupper, but there is no supplier that will provide LSFO around Point Tupper.

The vessel was then fixed for her next voyage, loading at Whiffen head for discharge Philadelphia.

We again tried to supply LSFO at Whiffen Head, but again, there are no LSFO suppliers in or around the port of Whiffen Head. Please see attached confirmation from our bunker supplier confirming that no LSFO is available at Point Tupper or Whiffen head.

Please note: From the time vessel entered the North America ECA zone (7th March 2013), until vessel berths at Philadelphia (approx 17th March), the vessel will burn LSFO. However, there is a small likelihood that vessel may run out of LSFO at Philadelphia (on/about 17th March) and may have to burn HSFO at Philadelphia. Therefore, in order to err on the side of safety and in the spirit of transparency, we would like to file a waiver with the EPA for burning HSFO at Philadelphia, only in the event vessel runs out of LSFO.

We will arrange supply of LSFO at Philadelphia on/about 17th March. Intention is to bunker 500 mt of LSFO at Fort Mifflin, PA.

Below is a time-line of LSFO Fuel Oil Consumption in the ECA area:

LSFO quantity at time of entry in ECA: 470 mt

Estimate LSFO ROB on arrival Philadelphia = approx 78.0 mt

The vessel is schedule to lighter at Bigstone Anchorage prior to berthing at Philadelphia. If there are any unforeseen weather delays, vessel may run out of LSFO.

Please consider our request for a waiver in the event vessel runs out of LSFO.

Sincerely,

Arthur Sequeira Phillips 66 Company.